Postal Regulatory Commission Submitted 6/30/2017 2:23:45 PM Filing ID: 100628 Accepted 6/30/2017

BEFORE THE POSTAL REGULATORY COMMISSION WASHINGTON, D.C. 20268-0001

COMPETITIVE PRODUCT PRICES
PRIORITY MAIL CONTRACT 136 (MC2015-72)
NEGOTIATED SERVICE AGREEMENT

Docket No. CP2015-110

NOTICE OF UNITED STATES POSTAL SERVICE OF AMENDMENT TO PRIORITY MAIL CONTRACT 136, WITH PORTIONS FILED UNDER SEAL

(June 30, 2017)

The Postal Service hereby provides notice that the terms of Priority Mail Contract 136, in the above-captioned proceeding, have changed as contemplated by the contract's terms. A redacted version of the amendment to Priority Mail Contract 136 is provided in Attachment A, and the unredacted amendment is being filed under seal. The amendment will become effective two business days following the day that the Commission completes its review of this filing.

This amendment will not materially affect the cost coverage of Priority Mail

Contract 136. Therefore, the supporting financial documentation and financial

certification initially filed in this docket remain applicable. The Postal Service hereby

incorporates by reference the Application for Non-Public Treatment originally filed in this

docket, for the protection of the customer-identifying information that has been filed

under seal.

Respectfully submitted,

UNITED STATES POSTAL SERVICE By its attorneys:

David H. Rubin Acting Chief Counsel Pricing and Product Support

Elizabeth A. Reed

475 L'Enfant Plaza West, S.W. Washington, D.C. 20260-1137 (202) 268-3179, Fax -6187 elizabeth.a.reed@usps.gov
June 30, 2017

ATTACHMENT A REDACTED AMENDMENT TO PRIORITY MAIL CONTRACT 136

AMENDMENT #2 OF SHIPPING SERVICES CONTRACT BETWEEN THE UNITED STATES POSTAL SERVICE

AND

REGARDING PRIORITY MAIL SERVICE

WHEREAS, the United States Postal Service ("the Postal Service") and ("Customer") entered into a Shipping Services Contract, regarding Priority Mail Service, Priority Mail Contract 136/Docket No. CP2015-110 on July 9, 2015.

WHEREAS, the Parties desire to amend the terms in Sections I.C., I.F., and I.H. of the Contract.

NOW, THEREFORE, the Parties agree that the contract is hereby amended as detailed below. The existing contract remains unchanged in all other respects. This amendment shall become effective two (2) business days following the day on which the Commission issues all necessary regulatory approval.

[Replace Sections I.C., I.F., and I.H. (including Tables 3-7), in their entirety, as follows.]

I. Terms

- C. Customer will manifest Contract Packages as specified by the Postal Service, using a separate permit number and/or PC Postage account to ship such packages, and will use the Electronic Verification System (eVS), other USPS approved manifest systems, or USPS approved PC Postage vendors for payment of such packages. Customer shall provide the Postal Service, in writing, a list of its permit numbers and/or PC Postage accounts for approval. Contract pricing for any newly approved permits and/or PC Postage accounts will be effective within fifteen (15) business days after the Postal Service receives written notification from Customer. Only Contract Packages, plus all other Priority Mail outbound and return packages, shipped from authorized permits and/or PC Postage accounts shall count toward the volume commitment in Section I.F below.
- F. Volume Commitment. Customer shall ship an average of Contract Packages (Contract Packages, Customer's other Priority Mail outbound packages and Customer's other Priority Mail return packages) per Contract Quarter for the remaining term of the Contract.

H. Contract Package Pricing (Outbound). As outlined in Table 3 below, the following quarterly average volumes must be met in order to achieve the applicable outbound Contract Package rates set for each Tier in Section I.H.



- 1. Beginning on the effective date of this Amendment, customized prices for Customer's outbound Contract Packages under this contract will be based on a rolling four (4) quarter average. The average will be based on the volume of Total Packages shipped during the previous four (4) full Contract Quarters divided by four (4).
- 2. At the conclusion of each subsequent Contract Quarter, price tiers will be determined for subsequent quarters by dividing the volume of Total Packages shipped in the previous four (4) Contract Quarters by four (4).
- 3. The Postal Service will notify Customer, within fifteen (15) calendar days after the start of each full Contract Quarter, of the applicable Tier and corresponding prices for Customer's outbound Contract Packages shipped during that Contract Quarter.
- 4. If the quarterly average of Customer's Total Packages shipped falls below the minimum volume set for Tier 1 pricing, the Postal Service at its sole discretion has the right to revert Customer to the most current Priority Mail Commercial Plus Prices for the subsequent Contract Quarter.





IN WITNESS WHEREOF, the Parties hereto have caused this amendment to be duly executed as of the later date below:

UNITED STATES POSTAL SERVICE
Signed by:

Printed Name: Cliff Rucker

Title: Senior Vice President, Sales and Customer Relations

Date: (3)